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The business of giving

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The Business of Giving

Paul Dunn is shaping a new generation of socially conscious businesses by providing a sustainable platform that connects company with cause.

By Eunice Rachel Low and
Christian Petroske

When it comes to giving, Paul Dunn means business—literally. As the chairman of Buy1Give1 (B1G1), the 72-year-old oversees a social enterprise devoted to making business philanthropy a more effortless process. A firm believer that it is in giving that one receives (joy, that is), he tells EUNICE RACHEL LOW and CHRISTIAN PETROSKE how *joy*, rather than duty or guilt, sustains giving corporations. PHOTOGRAPHY BY KEN KOH

From the UK to Australia, then to Singapore, Paul Dunn has traversed continents in the span of his five-decade career. However, it was a chance encounter with a pastor from Bangalore that led him to discover his *raison d'être*: helping businesses derive meaning and purpose through the act of giving—made convenient and accessible via a unique platform linking causes with corporations.

Born and raised in Dover, Kent, Paul's first job was in the engineering industry designing antennae for a research lab. However, preferring customer relations to desk-bound work, he relocated to Brisbane at the age of 21 to join Hewlett Packard's Australian start-up. During his seven years there, he led the then newly formed small computer group. After HP, Paul moved on to form one of Australia's first locally based computer companies. With a natural flair for marketing, Paul helped grow that company to a US\$23 million enterprise. Following that, he spent the next two decades in corporate consulting, during which he mentored companies in areas like improving customer value and increasing profits. In this time, he built a succession of businesses from scratch—including The Results Corporation (TRC) and Results Accountants' Systems (RAS).

Then, in 2000, Paul decided to "wind down" and move to the south of France. After selling his businesses, he purchased an 18th-century farmhouse in Provence, out of which he wrote several books, including his highly acclaimed *Firm of the Future*, still regarded as a standard text for professional service firms.

A turn of events in 2006, however, made Paul emerge from his early "retirement". During a trip to Bangalore, India, he was introduced to a local pastor, whose personal story touched him deeply. Two years earlier, a tsunami struck while the pastor was teaching at a Sunday school. Fortunately, he and his class of 12 children managed to escape to higher ground, but they watched on helplessly as their homes and families were washed away. Moved by their plight and the pastor's struggle to help these children rebuild their lives, Paul donated the US\$3,500 needed to build a new house for them, which they completed and even christened "Paul Dunn Home". Through this experience, not only did Paul begin to feel more empathetic towards social causes, he derived immense joy from the act of giving per se.

Serendipitously, Paul's newfound desire to give materialised when he met Masami Sato almost exactly a year later. While mentoring a group of entrepreneurs in Bali, he connected with the 42-year-old future co-founder of B1G1 over a shared vision to create a community of giving businesses based on a refreshingly simple premise: each time a customer purchases a particular product or service, the company makes a donation to a designated global cause. The rest, as they say, is history.

Since its launch in 2007, B1G1 has helped SME businesses achieve 81 million giving impacts, and is on track towards reaching 1 billion giving impacts by 2020.

EL: Your career has taken you across the globe and you're a well-known international speaker. What made you choose Singapore, over other countries, as the headquarters for B1G1?

PD: Shortly after launching B1G1 in 2007, we were in Brisbane having a management meeting. During one particular discussion, we were studying a series of flipcharts which read, consecutively: "Create a world full of giving"—"Because that's a happier world"—"How?"—and "By creating giving nations". Just as we were contemplating that bit about the giving nations, one of our latecomers strode in brandishing a copy of one of the Sunday Australian newspapers. Its headline read: "Singapore's President Says Singapore Must Become A Giving Nation". Right there and then, we felt like we had our answer.

However, there was a caveat. The 2005 NKF scandal¹ was still fresh on the people's minds, and public confidence in charities was at an all-time low. The Singapore government had also begun to put stricter controls over anybody who wanted to do anything in the charity space. But President Nathan's timely quote made us see that there was a great opportunity to make a huge difference not just in Singapore but globally. And taking that international focus is so important.

Many people ask, "Is B1G1 a charity?" but no, we are a registered society. There's our not-for-profit side, as well as the operational side where all the giving

B1G1 is in a sense a customisable type of giving engine for businesses. You get to tell your clients that every time they do business with you, they made something great happen.

takes place. Realising it's natural to wonder how much of one's actual donation reaches the end beneficiary, we set up B1G1 in such a way that *fully one hundred per cent* of what you give goes to the charity, with no exceptions.

Could we have set up our HQ in any other country? Sure. But our choice of Singapore, with its regulatory environment and reputation for being corruption-free, really bolstered people's confidence that they could absolutely trust what is going on with us.

CP: A core piece of B1G1's model is made up of businesses that donate to hundreds of social impact projects worldwide. What's different about these businesses, and could every company engage in giving like this?

PD: If you look at giving as a whole, and use the US as an example, there was something like US\$380 billion of giving in 2014. However, diving into that number, you'll find only 5.46 per cent of that amount comes from businesses, and of that 5.46 per cent, almost all are big companies with CSR² departments. So where

are the SMEs? Statistics from most developed nations can tell you that SMEs comprise about 70 per cent of their economy, so we identified a huge potential market there. But since these smaller companies can be so focused on their day-to-day business operations, they lack both the time and resources to engage in a sustainable pattern of giving (even if they wanted to). B1G1 thus comes in to make giving easy and accessible for them.

Any type of business can engage in giving via our platform. Is there anything special about these businesses? Perhaps it is this common desire to derive deeper meaning and purpose over and above what they already do—something that the act of giving is able to give them. In our rapidly changing world, we find increasingly that people are leaving big corporations because that work cannot bring them the meaning and purpose that they seek. As a case in point, there's Rohan, an ex-intern of B1G1. Rohan later landed the "dream job" at a large global consulting firm, and while it might seem to most that he'd "made it", the work there did not fulfil him on a deeper level.



He resigned after only three months to return to India, where he founded a social enterprise devoted to helping people get fit, and at the same time providing people in need with access to clean water.

B1G1 is in a sense a customisable type of giving engine for businesses. You get to tell your clients that every time they do business with you, they make something great happen. Let's say you're a restaurant owner: at the end of a meal, you approach the diner and say, "We hope you enjoyed the food. We didn't tell you at the start, but thought you'd like to know—you dining with us tonight has meant that seven children have access to life-saving water." Imagine also the sort of multiplier effect that the joy of giving can have on that customer: who knows if that might inspire him to go on giving just because it makes him feel so good?

You'll also be amazed at how giving has the power to transform businesses. A dentist shared how it used to be such a challenge to hire and retain talent in his clinic. However, by incorporating giving as part of the company ethos and bringing up their involvement with B1G1 during the recruitment process, he saw increased enthusiasm from candidates who wanted to be part of an enterprise with a giving spirit.

EL: What's your giving philosophy and how do you deal with scepticism?

PD: Scepticism comes from wondering where the money goes, and thus we make every effort to be transparent to our businesses by enabling them to track where their money goes. When people say giving feels good, it's not so much quantified by how much they gave, but that impact it created. For example: it's less about "I just gave \$10 or \$50", and more about "I just gave 10 kids access to clean water."

I think so often people still see giving as conditional, i.e. when you do X, I will do Y. But I believe true and



Masami Sato, B1G1's co-founder. Photo courtesy of B1G1.

sustainable giving doesn't work that way. The approach has to be soft, subtle, and flow naturally. If you make giving a part of who you are, rather than some kind of add on, that's when it starts to transform. The other thing is connection. It wouldn't be the same if the restaurant owner advertised at the front of his establishment, "Come dine with us because then so much goes to X cause"—if you do that, the giving becomes conditional.

Often when we tell our businesses how we have over 800 projects, some think it's a good idea to let their customers choose which to support. But we don't recommend doing that: once you ask customers to choose, they think it's all about charity, and will question what makes one particular cause more special over others, and wonder why they couldn't just donate directly to a charitable organisation. We're coming at it from a different angle: the businesses should instead reference the projects as an expression of gratitude—like in my earlier example of how the restaurant owner thanks his patron for dining with them because it helped give children access to water. That way, people are then more inclined to think, "Hey, that is cool, maybe I can start doing something like that too."

We also never want to guilt-trip anyone into giving because B1G1 is all about the *joy* of giving. If you show me pictures of emaciated children on the basis that I'm going to feel bad and then make a donation, that is simply not sustainable. The reason is that nobody likes to feel guilty! On the other hand, if you've experienced the *joy* of giving, wanting more of that joy fuels you to keep on giving.

CP: How did you arrive at such a clear vision of what works for charity and what doesn't?

PD: [laughs] All the credit goes to Masami Sato. As co-founder of B1G1, she is one of those thinkers who will turn an obvious solution on its head and force you to approach an issue from a radically different angle.

Before we met at a mentoring session I was conducting in Bali, my background was in marketing, so I was seeing most things through that lens. When Masami first shared her concept of B1G1 with me, I remarked how it was one of the best marketing ideas I'd ever heard, and she took offence at that. Her exact words were, "This is not a marketing idea. It's about creating a world full of giving because a giving world is a better world."



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At the time, she was running a company dealing with gluten-free frozen food. Even back then, every business she created was her way of finding some way to give back. I remember her placing this package of frozen food on the table in a room full of people, and its label read: "Every time you buy this nutritious food, you help us support a soup kitchen in India." However, when someone saw that and quipped, "Oh, buy 1, give 1", her eyes instantly lit up.

A week after the seminar, she called me to say she hadn't slept well for the past seven days because she was so moved by the idea of "buy 1, give 1". My understanding of the phrase was something else, then: I thought it meant every time I bought something, I'd get a freebie. But she enlightened me with a few examples: each time you buy a TV, someone who cannot see gets the gift of sight; or every time you buy you a book, a tree gets planted.

I was so impressed that I asked if I could be her mentor for the rest of her life. She said no, by the way [laughs]. Anyway, we arranged to meet over coffee the next day, and she showed me a movie slideshow. Against the soundtrack of John Lennon's "Imagine", the short film comprised phrases and images depicting the various ways in which businesses can facilitate giving. It moved me to tears, and I was entirely sold on the idea.

Many years on, our team will be celebrating B1G1's ninth birthday at the very conference room in Bali where Masami first conceived the idea of "buy 1, give 1".

CP: That's such an amazing story. What are some obstacles B1G1 has had to overcome to get to where it is today, and what are some of your immediate future plans?

PD: B1G1 was such a simple idea at the time. However, its execution hasn't been quite so straightforward. How do you select the projects and ensure the money reaches the beneficiary? How do you build a business model that allows B1G1 to be sustainable? It took us three years to figure it out, and to date, we're still refining our processes.

We've just hit the 81 million giving impacts milestone, and our goal is to reach 1 billion by 2020. To achieve that, we'll need to bring more businesses onboard. We've invested a fair bit in technology that enables us to track every cent that the companies are giving; for instance, we have a tracking map that updates the number of giving transactions in real time, and we provide special banners and widgets that businesses can upload to their websites, showing how their giving impacts the beneficiaries. Of course, all this technology comes at a cost, so businesses have to pay an annual membership fee: a typical SME pays

something like US\$340 a year—a very affordable sum that helps offset our operational costs.

EL: Some people feel emotionally disconnected from social causes because they've never personally experienced poverty or hardship. Is it possible to be a social entrepreneur or changemaker without empathy?

PD: Let's just suppose the opposite of empathy is "only thinking about yourself". If you're only thinking about you, and join B1G1 with the sole motive to attract more customers, it's never going to work out. So the answer is no. I think empathy is only born out of experience, and not something that can be taught.

To help the businesses really emotionally connect with the various causes, we bring them on yearly study tours, where we visit existing and would-be projects. On this one trip, we went to an Indian village where the rural kids were given e-learning tools. One of our business members, Roger, had been reluctant to come along, as he would've preferred to spend the holidays back home boating with his mates. But he grudgingly made the trip at the request of his wife. However, by the end of the tour, there was a noticeable change in him.

At dinner on the final day of the trip, Roger came up to do a sharing.

Speaking against the background of a beautiful photo of him and a tribal elder, he said, in between tears, "I was talking to this guy and we couldn't understand each other, but whilst I was standing there, I realised that I was him, and he was me."

This incident reminded me of what Brené Brown said at her famous 2010 TED talk on vulnerability: "Connection is why we're here. It's what gives meaning and purpose to our lives."

EL: Let's talk about your own life-changing encounter with the Indian pastor. How did this event influence how your life and career played out subsequently?

PD: I was on a trip to Bangalore, shortly after selling off all my businesses and buying an 18th-century farmhouse in France. One night, I went to dinner with a friend, who introduced me to Pastor Selva. But when I innocently asked what brought him here, I had no idea how his answer would forever change my life.



Pastor Selva, who had a profound impact on Paul's life and desire to give.

He told me how, two years ago, while teaching at a Sunday school on an island off the coast of India, he heard an incredible noise. He rushed out to see a wall of water rushing towards them, about to engulf them all. Thinking quickly on his feet, he said to the 12 kids, "We're going to play a game. Let's hold hands and run to high ground." Thankfully, they managed to escape to safety, but had to watch their beloved church and the kids' parents being swept away by the tsunami. Following that, it took them four weeks to get off the island, and 16 months on, Pastor Selva had been travelling around India with these 12 children in search of a place to live and a school for them to

attend. He told me they'd just found a place to stay but not yet a school for the kids because they couldn't afford the insurance, uniforms and books. Without hesitation, I helped pay the US\$3,500 needed.

Then, about five weeks later, he emailed me several photos featuring their house and the children—but next came the shot that changes it all. It's a close-up of the house, and at the top of it, written in great big letters is: "Paul Dunn Home". I guess you could say I had a "Roger" moment.

Up until then, what had driven me in business was: (i) how do I add honest value to you as a customer; and (ii) how do I have fun doing that? But at that precise moment, I realised I was connected with these people forever. You know how people become products of their ecosystem? Through my experience, I became part of what was to be B1G1's ecosystem.

CP: Speaking of ecosystems, how do you think the social change ecosystem is evolving?

PD: Change is happening at a level and speed we cannot comprehend—did you know that every second, there are something like 6,000 tweets, 2,000 Skype calls, and 55,000 Google searches taking place?³ There are more people who stayed at Airbnb last night than at the Marriott and Ritz Carlton combined, and yesterday in New York City, more people have taken Uber instead of yellow cabs. Yet at the same time, whilst living in such an environment, people are also wondering about "meaning and purpose".

So I very much do think that we're going to see a world where people will find innovative ways to bring about social change. Think about it: not too long ago, using credit cards to make donations was unheard of, but now we even have what you call micro-donations, whereby your donations can be reflected as part of your phone bill.

The model of "giving" will also likely become more democratised. When B1G1 first started, 100 per cent of donations would reach beneficiaries, but with an asterisk: bank charges applied. We've since done away with that (bank charges are now offset by businesses' membership fees), and we can confidently say that, with no asterisk, everything you give gets channelled to a project.

Going forward, I also believe we'll see more realism in the corporate giving space. Currently, companies' CSR departments still issue guidelines that make giving a sort of KPI to be met. But who's to say if, sometime in the near future, a global bank wouldn't approach B1G1 because they wanted to connect with our SMEs, and as a result get onboard with giving on a larger scale?

A few years ago, some local university students researching social innovation in Singapore interviewed me, and they asked, "Should the government make it easier and offer incentives for people to create social innovation projects?" To which I replied, "I understand why you're asking this, but I don't think in five to ten years it'd be a relevant question, because all businesses will be social enterprises by then."

My observation is that corporate philanthropy will make a very significant shift away from government involvement to business responsibility. I get that it would be nice to receive financial support from the government, but it's more important to think about how to make a business sustainable, with an added social giveback, rather than to be entirely dependent on external funding.

Increasingly, businesses will also recognise that social responsibility is an important part of their ethos that will positively impact the lives of others as well as on their own businesses—and find that this is what customers, employees and suppliers expect of them.

EL: There was an *SSIR* article¹ discussing how teams with more women on them are more creative and innovative. What are your thoughts on the role that women can play in social change?

PD: I am so glad you asked that question: I am just in awe of women. How do you do all that you do and be all that you are? Most men will tell you their wives are way more intuitive than they are. As author Bernadette Jiwa says in her book, *Meaningful: The Story of Ideas That Fly*: "The best products and services in the world don't simply invite people to say 'this is awesome'; they remind people how great they themselves are." I'm not so sure if a man could've expressed this fact quite as masterfully as she did.

Frequently in my mentoring sessions with entrepreneurs, I get them to complete this sentence: "I get up every morning to ..."

The men would typically say: "I get up every morning to find innovative ways to improve my business" or something general and straightforward, rarely involving children. However, the women frequently say something to the effect of: "I get up every morning to be a great example to my children so that they in turn can inspire those kids they meet, and together we can make a dent in the universe." They really *get* it: that if I'm thinking only about myself, my circle is inherently small; but if I'm thinking of others, it becomes inherently bigger and as a result, I can meet people I need to meet to create a more giving world.

Bottom line is, giving requires you to be empathetic and to understand that we are all connected; that the smallest action from me can create the largest ripple for you. And women have such a natural capacity for empathy that makes them so well placed to effect social change. Masami's a great example of someone who understands the power of tiny stuff to have huge impacts.

EL: Speaking of whom, has Masami since consented to letting you mentor her for the rest of her life?

PD: Since you asked: about exactly two years ago, after returning from a trip, I knocked on her door, fell on one knee and said, "You know how I wanted to be your mentor for the rest of your life and you said no? Well how about this: can I instead be your husband?"

EL: I knew it! I saw that coming! That's incredible.

CP: Wow, I sure didn't! Congratulations on your anniversary!

PD: [laughs] Thank you so much.

EL: One final question: what are some misconceptions about giving that you'd like to debunk?

PD: In 2014, billionaire James Packer started a \$200 million philanthropic fund to support arts and indigenous education in Australia. Now when somebody reads a news report like that, they might think, "Oh when I get 200 million dollars, or become 'successful', then I'll start giving

back." But hang on, giving back is not the destination but the *journey*.

The truth is, you can give at any amount, and wherever you're at in life. At B1G1, we've seen modest amounts, even one cent, make a significant difference. Our average giving is less than \$100, yet it's all these tiny \$100s that have contributed to our 81 million giving impacts.

So give. It literally does make an amazing difference.



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Notes

¹ http://eresources.nlb.gov.sg/infopedia/articles/SIP_2013-07-01_120748.html

² "Corporate social responsibility, often abbreviated 'CSR,' is a corporation's initiatives to assess and take responsibility for the company's effects on environmental and social wellbeing. The term generally applies to efforts that go beyond what may be required by regulators or environmental protection groups." Definition taken from Investopedia at <http://www.investopedia.com/terms/c/corp-social-responsibility.asp#ixzz4CCR0vDwN>.

³ <http://www.internetlivestats.com/one-second>

⁴ http://ssir.org/articles/entry/women_and_innovation_making_the_connection